



Valley Forge Convention Center Partners, L.P.
d/b/a Valley Forge Casino Resort (“VFCR”)
Application for License Renewal



April 8, 2015



Opening Statement & Introductions

Robert Pickus, Executive Chairman of the Board

Michael Bowman, President & Chief Executive Officer

Alex Figueras, Vice President of Finance

Anthony Spagno, Vice President for Gaming Operations

Gilbert Morrissey, Executive Director of Security

Janet Maugans, Compliance Manager

Linda Collins, Compliance Specialist

Barbara Evans, Ownership Group Representative



Agenda

- Application and Development Timeline
- Economic Impacts
- Workforce Development and Diversity
- Enhancements to Compliance Functions
- Compulsive and Underage Gambling Prevention
- Good Neighbor Commitments and Community Service
- Facility Improvements and Future Investment
- Tourism Impact
- Conclusion and Introduction of Community Speakers



Application and Development Timeline

06/29/2007	Application Date
10/16/2007	Eligibility Hearing
05/20/2008	Public Input Hearing
10/22/2008	Suitability Hearing
Fall 2008	Global Credit Crisis
01/21/2009	Board Reopened the Record for Additional Information
Feb-09 and Apr-09	VFCR Supplemental Presentations to Board on Financing
04/08/2009	Board Awarded Category 3 License to VFCR
05/08/2009	Board Issued Adjudication
06/05/2009	Appeal to PA Supreme Court
10/21/2009	Oral Arguments at PA Supreme Court
03/08/2011	Decision Issued by PA Supreme Court
Mar-11 to Mar-12	VFCR invests \$145.6 million to renovate the facility*
03/31/2012	Grand Opening of Valley Forge Casino Resort

❖ *The \$145.6 million budget represents an increase of \$38.6 over the original proposed amount of \$107 million.*



ECONOMIC IMPACTS





Commonwealth Fiscal Impact from VFCD

ANNUAL TAX AND LICENSE REVENUE (\$ MILLIONS)

	2012	2013	2014
Slot Gaming Tax	\$19.6	\$33.9	\$39.3
Table Gaming Tax	\$3.4	\$5.3	\$4.8
Total Gaming Tax	\$23.1	\$39.2	\$44.1
Total Gaming Taxes			\$106.4
One-Time Gaming Licenses Fees			\$12.5
Tax Generated from Construction			\$1.9
Non-Gaming Taxes from Operations			\$4.2
Grand Total for Period:			\$125.0



Economic Impacts from Initial Capital Investment

ONE-TIME ECONOMIC IMPACTS ATTRIBUTABLE TO CONSTRUCTION SPENDING (\$ MILLIONS IN 2010 DOLLARS AND TOTAL JOBS)

Description	Montgomery County	Commonwealth of Pennsylvania
Total Output	\$80.7	\$113.3
Direct Expenditures	\$49.0	\$50.7
Indirect and Induced Expenditures	\$31.7	\$63.3
Total Employment	357	866
Total Earnings	\$15.6	\$37.3

Source: Econsult Solutions (2015)
Results may not add due to rounding
Total Employment includes part-time and full-time jobs



Local Fiscal Impact from VFCD

TOTAL LOCAL TAX AND FEE REVENUE (\$ MILLIONS DOLLARS)

	2011	2012	2013	2014	Total
Construction Permits and Fees	\$2.0				\$2.0
Increased County Hotel Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1
Local Gaming Taxes	\$0.0	\$2.3	\$3.9	\$4.3	\$10.4
Total	\$2.0	\$2.3	\$3.9	\$4.3	\$12.5



Ongoing Economic Impacts from VF CR

ONGOING ECONOMIC IMPACTS ATTRIBUTABLE TO VALLEY FORGE CASINO RESORT
2013-2014 ANNUAL AVERAGE
(\$ MILLIONS IN 2010 DOLLARS AND TOTAL JOBS)

	Casino	Hotel	Capital Investments	Ancillary Spending	Total
Montgomery County					
Total Output	\$33.2	\$7.3	\$6.1	\$11.2	\$57.8
Direct Expenditures	\$20.3	\$4.4	\$3.6	\$6.8	\$35.1
Indirect and Induced Expenditures	\$12.9	\$2.9	\$2.5	\$4.4	\$22.7
Total Employment	169	58	27	81	335
Total Earnings	\$4.8	\$1.9	\$1.2	\$1.9	\$9.8
Commonwealth of Pennsylvania					
Total Output	\$40.3	\$9.3	\$8.6	\$13.9	\$72.1
Direct Expenditures	\$20.3	\$4.4	\$3.6	\$6.8	\$35.1
Indirect and Induced Expenditures	\$19.9	\$4.9	\$4.9	\$7.2	\$37.0
Total Employment	465	109	65	157	795
Total Earnings	\$13.3	\$2.6	\$2.8	\$4.1	\$22.8

Source: Econsult Solutions (2015)
Results may not add due to rounding

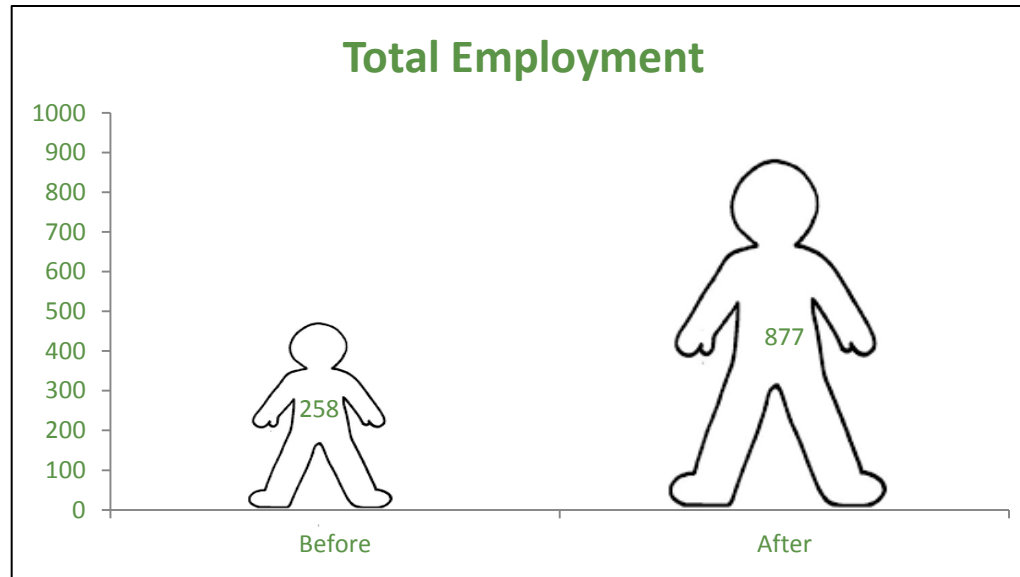


WORKFORCE DEVELOPMENT AND DIVERSITY





Direct Employment at the Facility

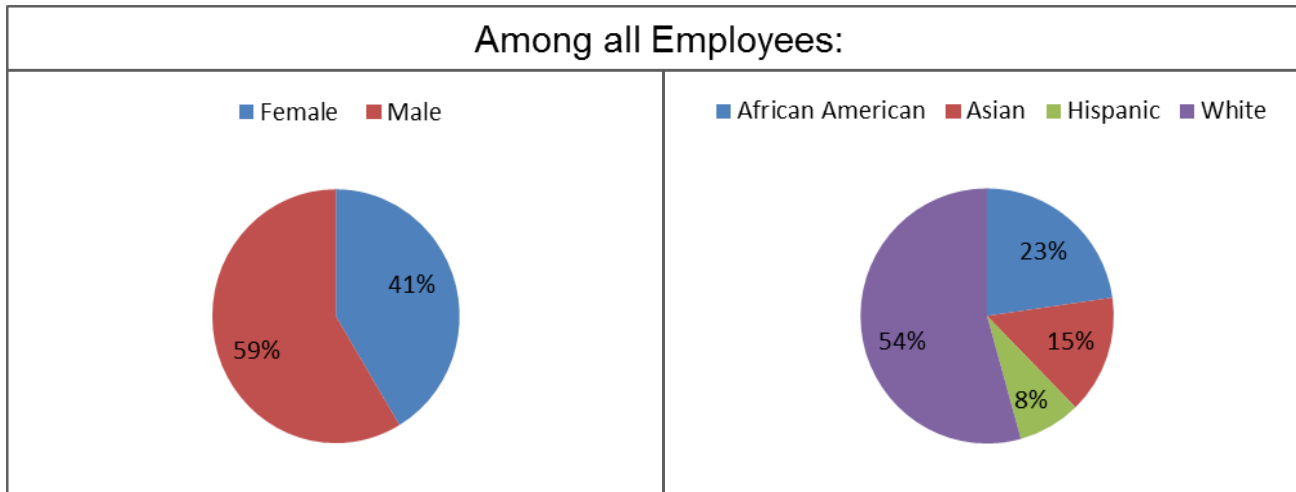


(FTEs)	Before	After *
Casino	0	440
Non-Gaming	258	437
Total Employment	258	877

- ❖ The Casino contributed 619 Additional FTE positions to the overall property employment total
- ❖ Source: VFCD internal data as of December 31, 2014



A Diverse and Local Workforce



All Executives (Directors +)	
Female	21.70%
Minority	13.00%
All Management (Managers and Supervisors)	
Female	37.30%
Minority	28.60%
All Professionals (All other salaried)	
Female	51.40%
Minority	27.00%



Purchasing *Diversity And Local Impact*

Non-Construction Gaming Service Providers

Year	LBE	MBE/WBE	Total
FY 11/12	\$15,379,779	\$401,008	\$30,801,607
FY 12/13	\$7,644,035	\$1,287,320	\$13,590,406
FY 13/14	\$11,718,371	\$2,670,499	\$21,911,284

Construction Gaming Service Providers

Year	LBE	MBE/WBE	Total
FY 11/12	\$36,063,044	\$363,006	\$36,426,050
FY 12/13	\$3,966,658	\$0	\$3,966,658
FY 13/14	\$0	\$0	\$0

- ❖ *LBE – Local Business Enterprise*
 - ❖ *Businesses located in the host county or a contiguous county*
- ❖ *The terms MBE and WBE are commonly used to refer to:*
 - ❖ *Minority Business Enterprise and Women Business Enterprise.*



ENHANCEMENTS TO COMPLIANCE FUNCTIONS





Enhancements to Compliance Functions

- New Executive Chairman of the Board
- New Outside Regulatory Counsel
- Replaced and Increased Staffing of Compliance Department
- New Leadership and Staffing of Marketing Department
- New and More Robust Access-Related Training for Gaming and Non-Gaming Employees
- Improvements to data available at access gates and with access cards
- Expanded Ethics Training for Employees and New Employee Ethics & Compliance Hotline
- Hosting the first Pennsylvania Security Directors' Conference, April 21, 2015



COMPULSIVE AND UNDERAGE GAMBLING PREVENTION





Compulsive and Underage Gambling Prevention

- Over 20 signs posted throughout the property and Compulsive & Problem Gambling collateral available at 7 different locations throughout the property
- Education of all employees on responsible gaming beginning at new hire orientation and then annual refresher training
- Spending \$10,000 annually for employee training, printing signage, printing brochures and literature, reinforcement training sessions, outside presenters as necessary, sponsorships/memberships, outreach and incidental fees associated with Plan





GOOD NEIGHBOR COMMITMENTS AND COMMUNITY SERVICE





Exceeded Local Commitments to Upper Merion Township

- Contributed \$625,000 to Upper Merion Township for area traffic improvements instead of the \$415,000 originally committed during the original application
- Makes an annual community benefit contribution (adjusted every year by CPI), which was \$142,500 in 2014 instead of the \$75,000 committed during the original application
- Improved the facility's parking lot
- Provided additional emergency training for Valley Forge personnel
- Installed booster equipment at the complex to improve police radio and cell phone reception



Upper Merion Township – Board Of Community Assistance ("BCA")

- Contributed **\$393,363** to the BCA over the last **3** years (2012 – 2014)
 - Awards grants to worthy community welfare and youth sports organizations, as well as college and trade school scholarships to graduating seniors
 - **52** grants to organizations to date
 - **36** scholarships to date





Board Of Community Assistance:

Representative Beneficiaries

Upper Merion Tree Tenders Valley Forge Convention & Visitors Bureau Neighborhood Meals on Wheels Upper Merion Skate Park Feel The Warmth Upper Merion Emergency Aid - Back to School Project Swedesburg Volunteer Fire Company Candlebrook Elementary School Daisy Girl Scout Troop #7157 Caley Elementary School Playground Rotary Club of King of Prussia - Literacy Program Upper Merion Farmer's Market Valley Forge Optimist Club Upper Merion Special Education Parent Resource & Interest Group Upper Merion Mother's Club - Operation Backpack Laurel House - Domestic Shelter	Roberts Elementary School - Learning Garden Outdoor School in Horsham Upper Merion Middle School - STEM Upper Merion High School - Literacy Night Upper Merion Police Department - Radio Project Upper Merion Foundation - Concert Under the Stars Elmwood Park Zoo Upper Merion Senior Service Center Upper Merion Stingrays Swim Team Upper Merion Aquatic Club Upper Merion Lacrosse Club King of Prussia Soccer Club Upper Merion Youth Field Hockey Communities in Motion - Solar Car Challenge Upper Merion Park & Historic Foundation
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Community Involvement and Service

- Over **400** employees gave their time and resources to support over **26** community events and charities in 2014 alone
- Valley Forge contributed close to **half a million dollars** to local charities and organizations who work to provide needed services to our local community
- In March 2015, established a partnership with the **Alzheimer's Association**





FACILITY IMPROVEMENTS AND FUTURE INVESTMENTS

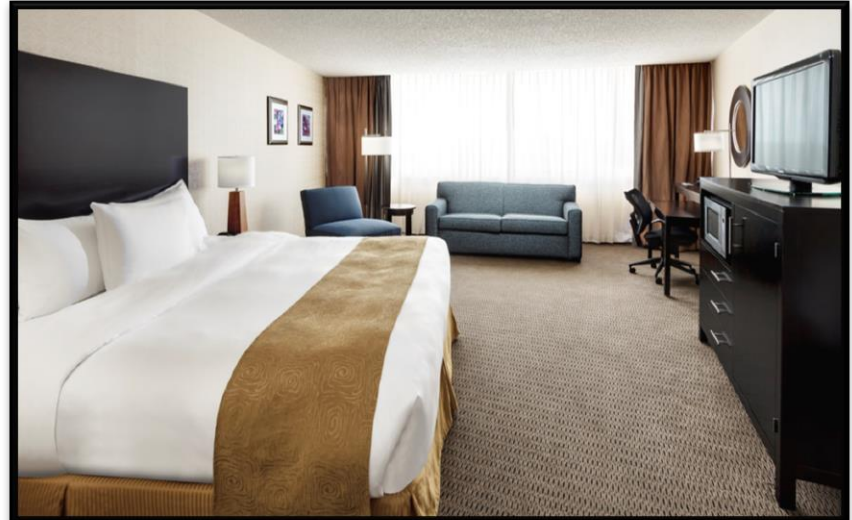


Facility OLD





Facility NEW





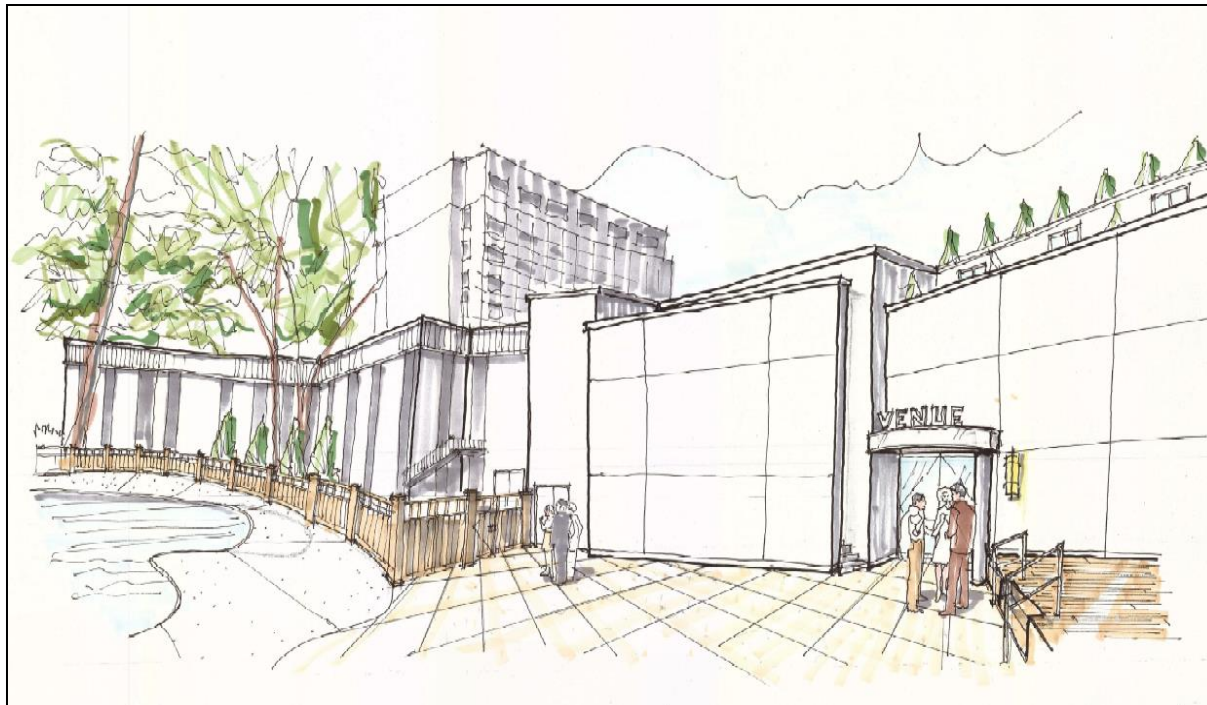
Facility NEW





Facility FUTURE

Pool Area Renovation





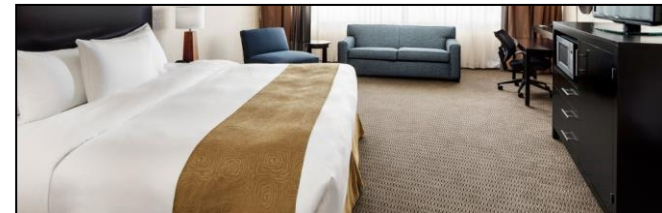
Property Amenities

- Casino
 - **50** live Table Games; including Blackjack, Craps, Roulette, Pai Gow Poker and Baccarat
 - **600** popular Slot machines



- Hotel
 - Casino Tower & Radisson Tower
 - Combined total of **485** rooms

- Convention & Meeting Space
 - Major Convention Center with **54,000** square feet of exhibit space
 - **43,000** square feet of meeting, banquet and convention space





Property Amenities

- 10 high-end Restaurants and Bars

PACIFIC  PRIME



Viviano
—CUCINA ITALIANA—

asianoodle

nosh
deli



—VALLEY—
TAVERN
EST. 2012

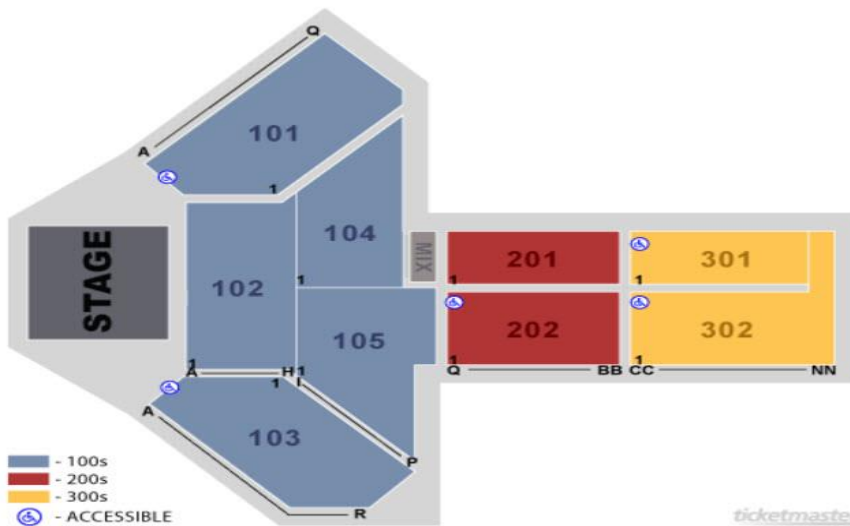


- Major music and entertainment events
- A fully equipped business center, an outdoor swimming pool, a newly renovated fitness center, health spa

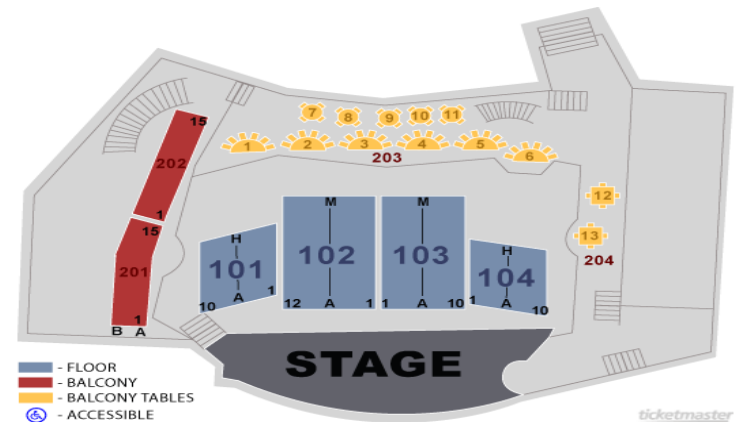


Major Entertainment Events

Convention Center (1,664 Seats)



The Venue (570 Seats)





Major Entertainment Events

Valley Forge Casino Resort Music Fair

Smokey Robinson	12/13/2014
KC & The Sunshine Band	1/24/2015
Dave Attell	2/6/2015
Josh Turner	3/28/2015
Jenny McCarthy	4/10/2015
Heart	5/22/2015
Frank Sinatra Jr.	5/23/2015
A Bronx Tale	5/28/15 - 5/29/15
Aaron Lewis	6/26/2015
Thunder From Down Under	7/11/2015
Jim Breuer	7/24/2015
Cheech & Chong	10/10/2015



Other Entertainment at the Valley

- Soul Cruisers
- B STREET BAND
- Girls Night: The Musical
- Boxing/MMA
- Pay Per View broadcasts

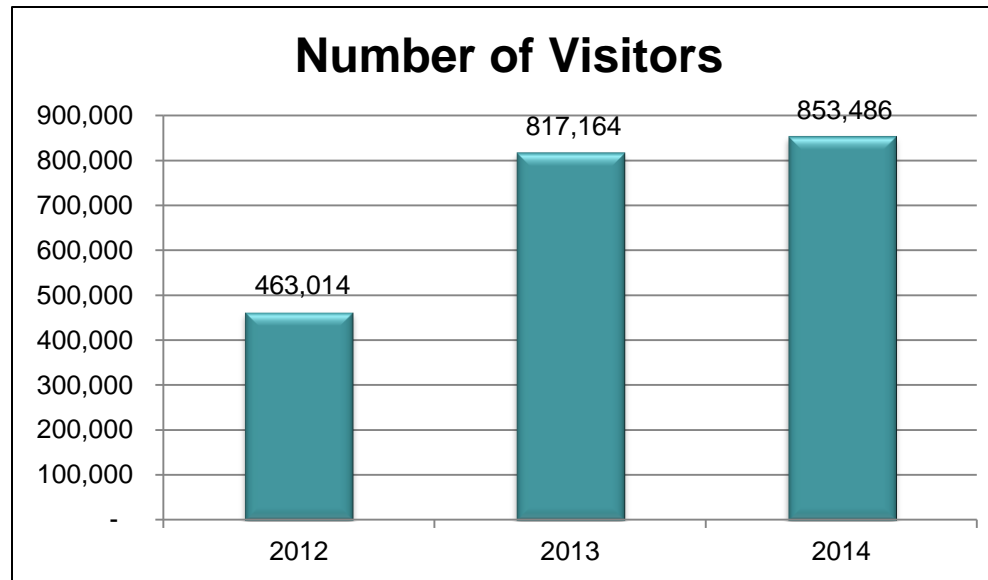




TOURISM IMPACT



Tourism Impact



- The # of Visitors grew **76%** from 2012 to 2013 and then grew another **4%** from 2013 to 2014
 - Includes Hotel guests, Player Club Members, and individuals attending Conventions, Entertainment shows and other events
- More than half of VFCR's visitors were found to reside in locations more than **20 miles** from the facility



Valley Forge Tourism & Convention Board

- As recognized by the Valley Forge Tourism & Convention Board:
 - VFCR has "burnished the perception and image of the region as a destination;"
 - VFCR marketing initiatives "[give] us a unique asset to reach potential markets;"
 - VFCR's "array of nighttime and sports entertainment adds additional variety to our entertainment options;"
 - "[d]ata show an increase in leisure business attributable to the VFCR presence in the market [w]eekend occupancy grew 5.6 percent in the King of Prussia area through July 2014;" and
 - "[o]n the convention side, the gaming amenities at the VFCR are a determining factor in show producers deciding to hold their trade shows here."



CONCLUSION AND INTRODUCTION OF COMMUNITY SPEAKERS



QUESTIONS